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FM AMEMBASSY KUALA LUMPUR  
TO RUEHC/SECSTATE WASHDC 0153  
INFO RUCNEXC/EXPORT CONTROL AND RELATED BORDER SECURITY  
RUEHJA/AMEMBASSY JAKARTA 1719  
RUEHML/AMEMBASSY MANILA 2564  
RUEHGP/AMEMBASSY SINGAPORE 4452  
RHMFIUU/US CUSTOMS AND BORDER PROTECTION WASHINGTON DC  
RHEBAAA/DEPT OF ENERGY WASHDC  
RUCPDOC/DEPT OF COMMERCE WASHDC  
RHMFIUU/COMDT COGARD WASHINGTON DC  
RUEKJCS/SECDEF WASHDC  
RUEKJCS/Joint STAFF WASHDC

UNCLAS SECTION 01 OF 02 KUALA LUMPUR 001562

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DEPT FOR ISN/ECC YWONG, ACHURCH, ROWEN  
DEPT FOR ISN/ECC/AMT LSPRINGER  
DEPT FOR EAP/RSP NDEAN, TFORSYTH, AFORSBERG  
CBP/INA FOR RWATT  
USDOE/NNSA FOR TPERRY, JMILLER  
DOC FOR PETERSEN-BEARD  
JAKARTA FOR YGONZALES, DTURNBULL  
MANILA FOR GCOFFIN  
SINGAPORE FOR MCLAUSEN

E.O. 12958: N/A

TAGS: ETTC MNUC PARM PREL KSTC KNNP MY  
SUBJECT: EXBS: SE ASIA REGIONAL ADVISOR MONTHLY REPORTING  
CABLE SEPTEMBER 2007

I. SUMMARY

The Advisor met with Malaysian Ministry of Finance officials to discuss an MOU on Megaports, participated in discussions with officials from the Embassy of Norway on maritime security in the region, and met with Australian, British, Canadian, and Malaysian officials to discuss ongoing counter-terrorism training efforts. The Advisor participated in Proliferation Awareness Training and a port visit in Manila. END SUMMARY

II. COMPLETED ACTIONS FOR THE REPORTING PERIOD

IA. SITE ASSESSMENTS AND MEETINGS DURING REPORTING PERIOD

I1. On September 04 the Advisor and ECONOFF met with Mr. Koshy Thomas, Deputy Secretary, Tax Analysis Division, Malaysian Ministry of Finance (MOF), to participate in the ongoing deliberations to secure a Memorandum of Understanding on the Megaports proposal. Discussion focused on two seemingly minor points which the MOF wanted either removed completely or revised greatly, changes which probably would have not satisfied US legal requirements. ECONOFF and the Advisor pointed out to the GOM officials that the two plus years of discussion on the MOU had already delayed the implementation of the program and asked if the GOM could accept the document as it stood rather than try to make additional time-consuming changes. Mr. Thomas said he would take the matter up with the Minister of Finance and recommend acceptance of the current language. On October 01 Mr. Thomas informed ECONOFF that the MOF planned to send the previously agreed draft MOU to Cabinet for approval, provided no other relevant Malaysian agencies raised objections before October 27.

I2. The Advisor was on Annual Leave from September 05-10.

I3. On September 17 the Advisor met with Christian Lyster, Deputy Chief of Mission for the Norwegian Embassy, to discuss maritime security in the region and export controls. Mr. Lyster mentioned that a large number of Norwegian-flagged vessels use the Strait of Malacca and that they are heavily

involved in the transit and transshipment trade in SE Asia. Mr. Lyster's predecessor had indicated that the Norwegian government was considering its options for various assistance programs to Malaysia, including counter-terrorism (CT) and export controls; Mr. Lyster confirmed that discussion was still ongoing.

¶4. The Advisor met with James Paver, POLOFF at the British High Commission, on September 19 to discuss the status of Malaysia's draft export control legislation. Mr. Paver stated that his High Commission was unable to get any status report from the Government of Malaysian (GOM) regarding the draft and that they were looking for ways to engage more effectively. Mr. Paver also said that the British government wanted to coordinate their efforts with the US where Malaysia's export control program was concerned.

¶5. On September 20 the Advisor introduced Jason Donovan, Embassy KL-based Coordinator for the Regional Strategic Initiative, to Ambassador Hussin Nayan, Director General of the Southeast Asia Regional Center for Counter-Terrorism (SEARCCT), a GOM entity under the Ministry of Foreign Affairs. Items of discussion included SEARCCT's capacity-building role in the CT arena, public awareness campaigns, and long-term plans for developing and expanding SEARCCT. The Advisor continues to work part-time as a liaison between Embassy KL and SEARCCT on certain CT training matters.

¶6. The Advisor participated in a working lunch on September 21 with the POL Counselor, POLOFF, and representatives from the High Commissions of Australia, Britain, and Canada. Discussion focused on CT training coordination and export control programs in Malaysia.

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¶7. On September 28 the Advisor participated in a Counter-Terrorism Action Group (CTAG) meeting chaired by the German Embassy. Officials from SEARCCT gave a brief presentation on the capacity-building training courses co-hosted by them over the past three years and appealed to the CTAG members for additional operational-style training assistance. A separate discussion was held regarding future plans to utilize SEARCCT as a training platform and ways to expand their current role beyond that of a conference organizer.

¶8. The Advisor facilitated a meeting on September 28 between embassy personnel interested in maritime security issues and Mr. Anders Sjaastad, former Norwegian Minister of Defense, and Mr. Christian Lyster of the Norwegian Embassy. Mr. Sjaastad shared background information on Norwegian maritime security efforts and concerns in the Strait of Malacca and was interested in US views on recent developments.

#### ¶B. TRAINING CONDUCTED DURING REPORTING PERIOD

¶1. The Advisor participated in Proliferation Awareness Training (PAT) September 24-27, conducted in Manila by personnel from the Department of Energy and affiliated national laboratories. The workshop was co-hosted and co-organized by the Philippines' Office of the Special Envoy on Transnational Crime. A total of 31 participants from 15 agencies attended the course, the first EXBS-funded training conducted in the Philippines. Ms. Rachel Owen from the EXBS Program office was present for the workshop and led discussions with Embassy Manila's Deputy Chief of Mission and ECON Counselor regarding future EXBS programs and engagement in the Philippines. Following the PAT, a briefing and port tour of the Manila International Container Terminal was given to the instructors, Ms. Owen, the Advisor, and several Embassy Manila personnel.

#### ¶C. EQUIPMENT DELIVERED DURING REPORTING PERIOD

NONE

D. IMMINENT TRAINING OR EQUIPMENT STATUS UPDATE

11. Philippine officials are scheduled to attend UGA's Export Control Academy in Georgia October 01-05.

12. EXBS-funded bio-terrorism training will be conducted in Singapore October 03-05 by the Department of Justice.

13. An AP CIT is planned for November 05-07 in Indonesia.

14. Government of Singapore officials are scheduled to attend RADACAD training November 05-09 in Washington State.

15. Wassenaar Arrangement/National Control List training is scheduled in Singapore December 04-07.

16. International Seaport Interdiction Training is scheduled for December 10-14 in the Philippines.

E. SIGNIFICANT DEVELOPMENTS IN EXPORT CONTROLS,  
NONPROLIFERATION, OR RELATED BORDER SECURITY

None

**III. RED FLAG ISSUES**

NONE

IV. Questions and comments can be directed to EXBS Program Advisor Richard Moody, telephone 6-03-2168-4861, fax 6-03-2168-5165, cell phone 6-017-213-1965, and email [modyrl@state.gov](mailto:modyrl@state.gov).

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